

Receipt Number

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Exhibits A, B
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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

SENTRY LIFE INSURANCE COMPANY,
1800 Northpoint Drive
Stevens Point, Wisconsin 54481-1283

Plaintiff,

v

SUSAN SEVERNS,
7410 E. Pine Bluff
Spring Lake, MI 49456

and

A&M SUPPLY INC. D/B/A A & M LABEL,
28505 Automation Blvd.
Wixom, MI 48393

Defendants.

Case: 2:08-cv-11453
Judge: Taylor, Anna Diggs
MJ: Morgan, Virginia M
Filed: 04-04-2008 At 12:34 PM
cmp SENTRY LIFE INS V. SEVERNS, ET
AL (TAM)

JOHN R. MONNICH (P23793)
Attorney for Plaintiff
306 S. Washington Avenue, Suite 207
Royal Oak, Michigan 48067
(248) 548-4747

COMPLAINT FOR DECLARATORY JUDGMENT

NOW COMES the Plaintiff, Sentry Life Insurance Company (hereinafter referred to as "Sentry"), by its attorney, JOHN R. MONNICH, and in support of its Complaint For Declaratory Judgment states as follows:

LAW OFFICES
JOHN R. MONNICH, P.C.
306 S WASHINGTON AVENUE
SUITE 207
ROYAL OAK, MICHIGAN 48067
(248) 548-4747

INTRODUCTORY STATEMENT

1. This action arises out of two life insurance policies Sentry issued to Douglas H. Severns (hereinafter referred to as "Severns"). Sentry Life Insurance Company Policy No. 62-70063-71 has a face value of \$500,000 and the beneficiary is A&M Supply Inc. d/b/a A&M Label (attached hereto as Exhibit "A") (hereinafter referred to as "Key Person Policy"). Sentry Life Insurance Company Policy No. 62-70064-71 has a face value of \$500,000 and the beneficiary is Susan Severns (attached hereto as Exhibit "B") (hereinafter referred to as "Personal Life Insurance Policy"). Sentry is requesting a judgment declaring its right to rescind the policies in question on the basis of a change in health between the time Severns filled out the application for the subject policies and the time of delivery of the policies, which was not disclosed to Sentry.

2. An actual controversy exists between Sentry and the above named Defendants who are the beneficiaries under the policies in question. The Defendants assert they are entitled to the proceeds of the policies. Sentry maintains it is entitled to rescind the policies because Severns had a change of health, which was previously undisclosed to Sentry, between the time of application and the time of delivery of the policies.

PARTIES

3. Sentry is a Wisconsin corporation with its principal place of business at 1800 Northpoint Drive, Stevens Point, Wisconsin, 54481-1283. Sentry is authorized to do business in the State of Michigan.

4. Susan Severns is an adult residing at 7410 E. Pine Bluff, Spring Lake, Michigan 49456. Upon information and belief, Susan Severns was married to Severns at the time of his death.

5. Upon information and belief, A&M Supply, Inc. is a Michigan corporation that does business as A&M Label.

JURISDICTION

6. This Court has subject matter jurisdiction over this case pursuant to 28 U.S.C. § 1332, as the parties are of diverse citizenship and the amount in controversy exceeds \$75,000.

7. The Court's exercise of personal jurisdiction over the parties is proper pursuant to M.C.L. §§ 600.701(2); 600.711(1), (3); and 600.715(4).

8. Venue is proper pursuant to 28 U.S.C. § 1391(a) because: (1) A&M Supply Inc. d/b/a A&M Label resides in the Eastern District of Michigan, and (2) a substantial part of the events or omissions giving rise to this action occurred in the Eastern District of Michigan.

FACTUAL BACKGROUND

9. On or about October 25, 2006, Severns was president of A&M Supply Inc. d/b/a A&M Label.

10. On October 25, 2006, Severns completed and signed Part I of the Sentry Life Insurance Application (the "Application"). A true and correct copy of the Application is attached to the Key Person Policy and the Personal Life Insurance Policy, Exs. "A" and "B", respectively.

11. The Application was applicable to both the Key Person Policy and the Personal Life Insurance Policy.

12. Part I of the Application states in relevant part: "no insurance shall take effect until both the policy is delivered and the first full premium paid, all during the lifetime and continued insurability of the person(s) to be insured." (See Exs. "A" and "B").

13. Part I of the Application further states: "all statements and answers in this application will form the basis of any contract of insurance that may be issued." (See Exs. "A" and "B").

14. On November 2, 2006, Severns underwent a paramedic examination and completed and signed Part II of the Application.

15. Based on the examination, the paramedic examiner considered Severns to be in good health.

16. Sentry relied upon the information and answers to the questions in Part II of the Application in issuing the Key Person Policy and the Personal Life Insurance Policy.

17. On November 7, 2006, Severns went to the emergency room at Botsford Hospital in Farmington Hills, Michigan, complaining of abdominal pain, nausea, and blood in his stool.

18. A chest x-ray taken on November 7, 2006 at Botsford Hospital revealed increased density in the left upper lobe of the lungs, indicative of infiltrate

or mass. The radiologist recommended obtaining a CT scan of the thorax for further evaluation.

19. Douglas H. Severns was advised by personnel at Botsford Hospital to follow up with doctors for further evaluation and treatment, including a gastroenterologist for a colonoscopy.

20. Subsequent further medical examination, consultation, and testing resulted in a diagnosis of lung cancer.

21. On or about November 12, 2006, A&M Supply Inc. d/b/a A&M Label issued a check in the amount of \$956.38 as a premium payment for the Key Person Policy and the Personal Life Insurance Policy.

22. On or about November 15, 2006, Sentry received the premium payment.

23. On or after November 20, 2006, Sentry delivered the policies to Severns.

24. Severns accepted delivery of the policies without informing Sentry about the emergency room visit, the abnormal x-ray, and the need for follow up treatment and evaluation.

25. If Sentry had been aware of Severns' change in health and that his answers on the Application were no longer true, the life insurance policies would not have been issued.

26. Severns died of lung cancer on September 12, 2007.

COUNT I

REQUEST FOR DECLARATORY JUDGMENT

27. Sentry incorporates by reference the allegations set forth in the preceding paragraphs of the Complaint.

28. Sentry seeks a declaratory judgment, pursuant to 28 U.S.C. §§ 2201-02, as follows:

- a. Declaring Severns sustained a change of health between the time of the Application and the time of delivery of the policies, which was not disclosed to Sentry;
- b. Declaring Severns' change in health constitutes a failure of a condition precedent to the life insurance contracts and, therefore, Sentry does not have an obligation to perform thereunder; and
- c. Declaring that Severns' acceptance of the policies without disclosing to Sentry that his answers on the Application were no longer true—rendering the statements in the Application false—are material misrepresentations under M.C.L. § 500.2218(2).
- d. Declaring that Sentry is entitled to rescind the policies and return the premiums based on Severns' change in health which was not disclosed to Sentry on or before the policies were delivered.

WHEREFORE, Sentry prays for an order from the Court:

- A. Declaring the rights of the parties to the life insurance contracts as set forth in paragraph 28 above;

B. Such other relief as the Court may deem just and proper.

LAW OFFICES OF JOHN R. MONNICH, P.C.

By: 

John R. Monnich (P23793)

Attorney for Plaintiff

306 S. Washington Avenue, Suite 207

Royal Oak, MI 48067

(248) 548-4747

jmonnich@dpc@ameritech.net

Dated: April 4, 2008

LAW OFFICES

JOHN R. MONNICH, P.C.

306 S WASHINGTON AVENUE

SUITE 207

ROYAL OAK, MICHIGAN 48067

(248) 548-4747

A

I, Rochelle G. Mueller, am the Director of Life & Health Underwriting at Sentry Insurance a Mutual Company. Policies issued by Sentry Life Insurance Company are underwritten in my department. I am familiar with the manner in which life insurance policies issued by Sentry Life Insurance Company are stored within my department in the ordinary course of business.

I certify that the attached are true and correct copies of policies issued by Sentry Life Insurance Company, that have been stored within my department in the ordinary course of business since their issuance. They are:

Sentry Life Insurance Company policy # 62-70063-71, owned by Supply Inc.
DBA A&M Label and insuring Douglas H. Severns;

Sentry Life Insurance Company policy # 62-70064-71, owned by Douglas H.
Severns and insuring Douglas H. Severns.

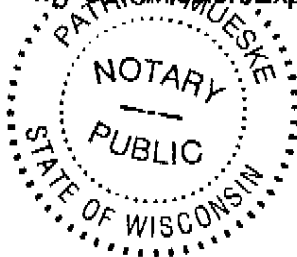
Rochelle G. Mueller
Rochelle G. Mueller

Dated: 3/19/08

STATE OF WISCONSIN)
) SS.
COUNTY OF PORTAGE)

Signed or attested before me on the 19 day of March, 2008, by Rochelle G. Mueller.

Patricia Mueske
Patricia Mueske
Notary Public, State of Wisconsin
My Commission Expires: February 27, 2011





SENTRY[®]
LIFE INSURANCE
COMPANY

(a stock company)
1800 North Point Drive
Stevens Point, WI 54481

Level Benefit Term Life Insurance Policy To Age 95

YOUR LIFE POLICY IN BRIEF

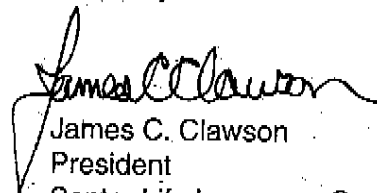
- Insurance payable at death of the *insured*
- Premiums payable to age 95 as long as the *insured* is living
- Nonparticipating policy, not eligible for dividends
- Premiums subject to change
- Convertible

Sentry Life Insurance Company will pay the *beneficiary* the *death benefit*, subject to the terms of this policy, when we receive proof satisfactory to us at our home office that the *insured* died while this policy was *in effect*.

RIGHT TO RETURN POLICY

Within 10 days after its delivery, this policy may be returned to the Sentry Life agent or to any Sentry Life office and will then be void from the beginning. A full premium refund will be made.

Signed for Sentry Life Insurance Company at its home office on the *policy date*.


James C. Clawson
President

Sentry Life Insurance Company

PLEASE READ YOUR POLICY CAREFULLY.

**THIS POLICY IS A LEGAL CONTRACT BETWEEN YOU AND
SENTRY LIFE INSURANCE COMPANY.**

Sentry Life Insurance Company
1800 North Point Drive
Stevens Point, WI 54481
1 (800) 533-7827



SENTRY
LIFE INSURANCE
COMPANY

POLICY DATA

INSURED:

DOUGLAS H SEVERNS

MALE

AGE: 58

POLICY NUMBER:

62-70063-71

POLICY DATE:

NOVEMBER 15, 2006

PREMIUM CLASS:

STANDARD
TOBACCO

BASIC PLAN OF INSURANCE:

LEVEL BENEFIT TERM LIFE INSURANCE
TO AGE 95

MONTHLY POLICY DAY: 15

PREMIUM OPTION:

TEN YEAR LEVEL PREMIUM*

EXPIRATION DATE:

NOVEMBER 15, 2043

BASIC AMOUNT OF INSURANCE:

\$ 500,000

CONVERTIBLE PRIOR TO

CONVERTIBLE DATE:
NOVEMBER 15, 2008

SCHEDULE OF BENEFITS AND PREMIUMS

| <u>TYPE OF BENEFIT</u> | <u>BENEFIT AMOUNT</u> | <u>ANNUAL PREMIUM</u> | <u>PAYABLE TO AGE</u> |
|--|---------------------------|---------------------------|---------------------------|
| BASIC PLAN | \$ 500,000 | \$ 5,465.00 * | 68 |
| TOTAL FIRST YEAR ANNUAL PREMIUM | | \$ 5,465.00 | |

* THE BASIC PLAN CURRENT ANNUAL PREMIUM SHOWN ABOVE REMAINS LEVEL FOR THE FIRST TEN POLICY YEARS FROM THE POLICY DATE. AFTER THE FIRST TEN POLICY YEARS FROM THE POLICY DATE, THE BASIC PLAN CURRENT ANNUAL PREMIUM INCREASES ANNUALLY AT THE INSURED'S ATTAINED AGE. THE BASIC PLAN CURRENT ANNUAL PREMIUM IS SUBJECT TO CHANGE AFTER THE FIRST TEN POLICY YEARS FROM THE POLICY DATE. FOR DETAILED INFORMATION ON PREMIUM CHANGES, PLEASE REFER TO THE PREMIUM CHANGES PROVISION IN THIS POLICY.

THE BASIC PLAN CURRENT ANNUAL PREMIUM AND GUARANTEED MAXIMUM ANNUAL PREMIUM ARE INCLUDED IN THE TABLE OF ANNUAL POLICY PREMIUMS ON POLICY DATA PAGE 2-2.

THE ANNUAL PREMIUM SHOWN ABOVE FOR THE BASIC PLAN INCLUDES A \$70.00 ANNUAL POLICY FEE.

THE FIRST PREMIUM IS DUE ON THE POLICY DATE. THE FIRST PREMIUM TOTALS FOR THE AVAILABLE PREMIUM PAYMENT FREQUENCIES ARE:

| <u>ANNUAL</u> | <u>SEMI-ANNUAL</u> | <u>QUARTERLY</u> | <u>MONTHLY/AUTOMATIC BANK CHECK</u> |
|---------------|--------------------|------------------|---|
| \$ 5,465.00 | \$ 2,841.80 | \$ 1,448.23 | \$ 478.19 |

Sentry Life Insurance Company
1800 North Point Drive
Stevens Point, WI 54481
1 (800) 533-7827



SENTRY
LIFE INSURANCE
COMPANY

POLICY DATA

INSURED:

DOUGLAS H SEVERNS

MALE

AGE: 58

POLICY NUMBER:

62-70063-71

POLICY DATE:

NOVEMBER 15, 2006

PREMIUM CLASS:

STANDARD
TOBACCO

PREMIUM OPTION: TEN YEAR LEVEL PREMIUM

TABLE OF ANNUAL POLICY PREMIUMS

| ATTAINED AGE | TOTAL CURRENT ANNUAL PREMIUM* | TOTAL GUARANTEED MAXIMUM ANNUAL PREMIUM* |
|-----------------|--|--|
| 58 | \$ 5,465.00 | \$ 5,465.00 |
| 59 | 5,465.00 | 5,465.00 |
| 60 | 5,465.00 | 5,465.00 |
| 61 | 5,465.00 | 5,465.00 |
| 62 | 5,465.00 | 5,465.00 |
| 63 | 5,465.00 | 5,465.00 |
| 64 | 5,465.00 | 5,465.00 |
| 65 | 5,465.00 | 5,465.00 |
| 66 | 5,465.00 | 5,465.00 |
| 67 | 5,465.00 | 5,465.00 |
| 68 | 26,420.00 | 5,465.00 |
| 69 | 28,550.00 | 34,210.00 |
| 70 | 30,910.00 | 36,620.00 |
| 71 | 33,520.00 | 39,380.00 |
| 72 | 36,485.00 | 42,770.00 |
| 73 | 39,820.00 | 46,710.00 |
| 74 | 43,460.00 | 50,680.00 |
| 75 | 48,440.00 | 54,980.00 |
| 76 | 55,040.00 | 59,760.00 |
| 77 | 62,135.00 | 65,060.00 |
| 78 | 69,675.00 | 71,190.00 |
| 79 | 77,800.00 | 78,220.00 |
| 80 | 86,790.00 | 85,960.00 |
| 81 | 95,440.00 | 94,420.00 |
| 82 | 105,165.00 | 103,410.00 |
| 83 | 116,075.00 | 112,660.00 |
| 84 | 127,910.00 | 122,520.00 |
| 85 | 140,420.00 | 133,670.00 |
| 86 | 152,195.00 | 146,310.00 |
| 87 | 164,040.00 | 160,020.00 |
| 88 | 177,050.00 | 174,590.00 |
| 89 | 190,240.00 | 189,780.00 |
| 90 | 203,770.00 | 205,400.00 |
| 91 | 217,865.00 | 220,490.00 |
| 92 | 232,975.00 | 234,850.00 |
| 93 | 251,865.00 | 249,590.00 |
| 94 | 275,715.00 | 264,830.00 |
| | | 281,090.00 |

* THIS TOTAL INCLUDES THE PREMIUM FOR THE BASIC PLAN ONLY.

THE GUARANTEED MAXIMUM ANNUAL PREMIUM FOR THE BASIC PLAN THAT IS GUARANTEED UNDER THE MINIMUM EXTENDED RATE GUARANTY PROVISION OF THIS POLICY OR ANY EXTENDED RATE GUARANTY RIDER ATTACHED TO THIS POLICY AND IN EFFECT, WHICHEVER IS APPLICABLE, IS INCLUDED IN THE TOTAL SHOWN ABOVE IN BOLD PRINT FOR THE APPLICABLE ATTAINED AGES.

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DEFINITIONS

AGE - The *insured's* age at last birthday as determined on the *policy date* and shown on all the Policy Data pages.

ATTAINED AGE - The *insured's* age at last birthday as determined on the most recent *policy anniversary*.

BASIC AMOUNT OF INSURANCE - The amount of insurance provided under this policy for the Basic Plan, as shown on Policy Data Page 2-1. Rider amounts, if any, are shown separately.

BENEFICIARY - The *beneficiary* is the person who will receive the *death benefit* when the *insured* dies.

CONTINGENT BENEFICIARY - The *contingent beneficiary* is the person who will receive the *death benefit* if the *beneficiary* dies before the *insured*, or is disqualified by law.

DEATH BENEFIT - The amount payable to the *beneficiary* on the *insured's* date of death, subject to the terms of this policy, if the *insured* dies while this policy is *in effect*.

EXPIRATION DATE - The date this policy is no longer *in effect*. The *expiration date* is shown on Policy Data Page 2-1.

IN EFFECT - When the *insured's* life is covered under this policy.

INSURED - The person whose life is covered under this policy, as named on all the Policy Data pages. The *insured* may be someone other than the owner.

MONTHLY POLICY DAY - The same day each month as the *policy date*. This day is shown on Policy Data Page 2-1.

PAYEE - A person receiving payment from us under an optional settlement plan.

POLICY ANNIVERSARY - The same day and month each year as the *policy date*. *Policy anniversaries* are measured from the *policy date*.

POLICY DATE - The month, day and year this policy is put *in effect*. The *policy date* is shown on all the Policy Data pages.

POLICY MONTH - A period of time beginning on any *monthly policy day* and ending on the day preceding the next *monthly policy day*. *Policy months* are measured from the *policy date*.

POLICY YEAR - A period of time beginning on any *policy anniversary* and ending on the day preceding the next *policy anniversary*. *Policy years* are measured from the *policy date*.

SPECIAL - Means this policy is issued at a *special* premium class due to an extra risk for the *insured's* health, occupation or avocation. Extra premium is charged due to the extra risk and is more than the standard premium. The *special* premium class is shown as Special Non-Tobacco or Special Tobacco, whichever is applicable, under Premium Class on Policy Data Page 2-1.

WE, OUR, OURS, US, SENTRY LIFE - Means Sentry Life Insurance Company at its home office at 1800 North Point Drive, Stevens Point, Wisconsin 54481.

YOU, YOUR, YOURS - Means the owner of this policy.

GENERAL PROVISIONS

INSURING AGREEMENT - We will pay the *beneficiary* the *death benefit*, subject to the terms of this policy, when we receive proof satisfactory to us at our home office that the *insured* died prior to the *expiration date* and while this policy was *in effect*.

CONTRACT - We have issued this policy in consideration of the required first premium payment and the application. The policy, with all its pages and cover, the attached copy of the completed application, any supplemental applications, any amendments and any benefit riders form the entire contract.

Any change in this contract must be in writing and signed by one of our officers. No agent, or any other person may change this contract or waive any of our rights or requirements.

APPLICATION - In issuing this policy, we have relied on all statements in the application and any supplemental applications to be true and complete to the best of the knowledge and belief of the person making them. In the absence of fraud, all statements in the application and any supplemental applications made by the *insured* or on the *insured's* behalf are considered to be representations and not warranties. No statement will be used by us to void this policy or deny a claim unless that statement is a material misrepresentation and is in the application or any supplemental application.

INCONTESTABILITY - Except for failure to pay premiums, we will not contest the validity of this policy after it has been *in effect* during the *insured's* lifetime for two years from the *policy date*.

Each benefit rider attached to this policy, if any, has its own incontestability provision.

SUICIDE - If the *insured* commits suicide within two years from the *policy date*, whether sane or insane, the amount payable by us will be limited to the premiums paid. This amount will be paid to the *beneficiary*.

MISSTATEMENT OF AGE OR SEX - If the *insured's* age or sex has been misstated, all benefits under this policy will be what the premium would have purchased at the correct age or sex.

EFFECTIVE DATE OF COVERAGE - The *policy date* is the effective date for all coverage provided under this policy as a result of the original application. This date is shown on all the Policy Data pages.

NO DIVIDENDS - This is a nonparticipating policy. This policy is not eligible for dividends, and it will not share in our profits or surplus.

VALUES - This policy has no loan value or cash surrender value.

TERMINATION - All coverage under this policy will terminate on the earliest of the following dates:

- (1) the *monthly policy day* on or next following the date we receive your written request to terminate this policy;
- (2) the date the *insured* dies;
- (3) the premium due date if the required premium due is still unpaid at the end of the grace period;
- (4) the *date of full conversion* of this policy;
- (5) the *policy expiration date*; or
- (6) the *date of partial conversion* when the remaining *Decreased Basic Amount Of Insurance* shown on the current Policy Data Page 2-1 is converted to a permanent plan of insurance.

OWNER, BENEFICIARY AND ASSIGNMENT PROVISIONS

OWNER - The owner is as named in the application, unless you change the ownership of this policy. As owner, you may exercise all policy rights and privileges while the *insured* is living, without the consent of any revocable *beneficiary*.

CONTINGENT OWNER - You may name a contingent owner during the *insured's* lifetime. Your request must be a satisfactory written notice received and recorded by us. After we record it, your request is effective from the date you signed the notice. If you are not also the *insured* and you die before the *insured*, the contingent owner will become the owner and will possess all the policy rights and privileges of the owner. If the contingent owner is not living, or if no contingent owner has been named at your death, your rights and privileges as owner will go to your estate.

CHANGE OF OWNER OR CONTINGENT OWNER - You may change the owner or contingent owner of this policy during the *insured's* lifetime. The change requires a satisfactory written notice received and recorded by us. After we record it, the change is effective from the date you signed the notice. We will not be responsible for any payment made or other action taken before we record any change.

BENEFICIARY - The *beneficiary* and any *contingent beneficiary* of this policy are as named in the application, unless changed by you. When the *insured* dies, the *beneficiary* will receive the *death benefit* provided under this policy. Any *death benefit* payable to a *beneficiary* who dies before the *insured* will be paid in equal shares to the surviving *beneficiaries*. If no *beneficiary* is living when the *insured* dies, the *death benefit* will be paid to the *contingent beneficiary*. Any *death benefit* payable to a *contingent beneficiary* who dies before the *insured* will be paid in equal shares to the surviving *contingent beneficiaries*. If any *beneficiary* or *contingent beneficiary* dies at the same time or within ten days of the *insured* or is disqualified by law, the *death benefit* will be paid as though that *beneficiary* or *contingent beneficiary* died

before the *insured*. If no *beneficiary* or *contingent beneficiary* is living, or there is no *beneficiary* or *contingent beneficiary* qualified by law to receive the *death benefit* when the *insured* dies, we will pay the *death benefit* to you or your estate.

CHANGE OF BENEFICIARY OR CONTINGENT BENEFICIARY - You may change the *beneficiary* or *contingent beneficiary* during the *insured's* lifetime. The change requires a satisfactory written notice received and recorded by us. After we record it, the change is effective from the date you signed the notice. We will not be responsible for any payment made or other action taken before we record the change.

You may change the order and proportion of payment of the *death benefit* during the *insured's* lifetime. The change requires a satisfactory written notice received and recorded by us.

CHANGE OF IRREVOCABLE BENEFICIARY OR IRREVOCABLE CONTINGENT BENEFICIARY - You may change the irrevocable *beneficiary* or irrevocable *contingent beneficiary* during the *insured's* lifetime. The change requires a satisfactory written notice and consent of the irrevocable *beneficiary* or irrevocable *contingent beneficiary*, whichever is applicable, received and recorded by us. After we record the change of irrevocable *beneficiary* or irrevocable *contingent beneficiary*, whichever is applicable, the change is effective from the date you signed the notice. We will not be responsible for any payment made or other action taken before we record the change.

COLLATERAL ASSIGNMENT - You may assign this policy as collateral on a form provided by us or on another form acceptable to us. We are not responsible for the validity or effect of any collateral assignment. The interest of any revocable *beneficiary* will be subject to the terms of the assignment. We will not be responsible for knowledge of any assignment until a satisfactory written collateral assignment is received and recorded by us.

INSURANCE BENEFIT PROVISION

DEATH BENEFIT - We will pay the *beneficiary* the *death benefit*, subject to the terms of this policy, when we receive proof satisfactory to us at our home office that the *insured* died prior to the *expiration date* and while this policy was *in effect*. The amount of the *death benefit* on the *insured's* date of death is the total of:

- the *Basic Amount Of Insurance* shown on Policy Data Page 2-1, or the *Decreased Basic Amount Of Insurance* shown on the current Policy Data Page 2-1, whichever is applicable; **PLUS**
- any premiums paid for a period beyond the *policy month* in which the *insured* died; **LESS**
- any premium due.

PREMIUM AND REINSTATEMENT PROVISIONS

PREMIUM PAYMENTS - The first premium is due on the *policy date*. All premium payments after the first premium payment are payable to us on or before the due date. A receipt signed by an officer of our company is available on request. All premiums are to be sent to our home office at 1800 North Point Drive, Stevens Point, Wisconsin 54481.

PREMIUM PAYMENT FREQUENCY - Premium payment frequencies are annual, semi-annual, quarterly and monthly/automatic bank check. The first premium totals for the available premium payment frequencies are shown on Policy Data Page 2-1. You may change the frequency of payment by sending us a written request. A change in premium payment frequency and minimum premium amounts are subject to our current administrative requirements. Premiums may be paid by any other method agreed to by us.

PREMIUM CHANGES - The current annual premium for the Basic Plan is subject to change. The current annual premium may increase or decrease. If the current annual premium changes, we will notify you 30 days before your next premium due date.

Any change in the Basic Plan current annual premium for this premium class of policies will be subject to the following:

- (1) *insureds* of the same *attained age*, sex and premium class whose policies were issued at the same *age* and have the same *Basic Amount Of Insurance*, or *Decreased Basic Amount Of Insurance* shown on the current Policy Data Page 2-1, whichever is applicable, and Premium Option will be charged the same current annual premium;
- (2) a change in the *insured's* health, occupation or avocation will not affect the change in current annual premium; and
- (3) the current annual premium will never be greater than the guaranteed maximum annual premium shown in the Total Guaranteed Maximum Annual Premium on the current Policy Data Page 2-2.

After a change in the Basic Plan current annual premium, a new Policy Data Page 2-2 will be sent to the owner of this policy.

Basic Plan current annual premium changes are determined only prospectively and will be based on future expectations as to investment earnings, mortality, persistency and expenses.

GRACE PERIOD - You are allowed 31 days after the premium due date for payment of each premium after the first premium. This policy will continue to be *in effect* during the grace period. If the *insured* dies during the grace period, we will deduct any premium due from the *Basic Amount Of Insurance* or *Decreased Basic Amount Of Insurance* shown on the current Policy Data Page 2-1, whichever is applicable.

If the required premium due is still unpaid at the end of the grace period, the premium is in default and this policy terminates as of the premium due date.

REINSTATEMENT - If there is a premium in default, you may request the reinstatement of this policy. We will reinstate this policy, as of the due date of the first premium in default, on the following conditions:

- (1) your request is in writing and received by us at our home office prior to the *expiration date*;
- (2) your request is in writing and is received by us at our home office within three years from the due date of the first premium in default;
- (3) we receive proof satisfactory to us that the *insured* is insurable under our then current underwriting guidelines; and
- (4) you pay all overdue premiums with 6% interest, compounded annually, from the due date of the first premium in default to the date of reinstatement.

Except for failure to pay premiums, we will not contest the validity of a reinstated policy after it has been *in effect* during the *insured's* lifetime for two years from the date of the reinstatement application and any supplemental applications applicable to the reinstatement of this policy.

FULL CONVERSION PROVISIONS

FULL CONVERSION - The insurance this policy provides may be converted to any permanent plan of insurance currently offered by us. Under this policy, a full conversion to a permanent plan of insurance is subject to all of the following conditions:

- (1) this policy is *in effect*;
- (2) your request is in writing and received by us at our home office, along with this policy, after the first *policy anniversary* and prior to the convertible date shown on the current Policy Data Page 2-1; and
- (3) your written request must be made during the *insured's* lifetime.

The full conversion of this policy will be effective on the *date of full conversion*. The *date of full conversion* will be the *monthly policy day* following our receipt of a completed, written application and the first premium for the new policy at our home office prior to the convertible date.

PERMANENT PLAN OF INSURANCE ("NEW POLICY") - The new policy must comply with our then current issue limits. We will use the then current premium rate in effect on the *date of full conversion* for the *insured's attained age*, sex and premium class of this policy. Proof of the *insured's* insurability will not be required.

The basic amount of insurance of the new policy may not exceed the amount of insurance available under this policy on the *date of full conversion*. The *policy date* in the Suicide provision of the new policy will be the same as the *policy date* of this policy. The *policy date* in the Incontestability provision of the new policy will be the same as the *policy date* of this policy or the date of reinstatement of this policy, whichever is later. The effective date of the new policy will be the *date of full conversion*.

Premiums paid for this policy for a period beyond the *date of full conversion* will be refunded to you or used to pay part or all of the first premium for the new policy. Any premium not used to pay part or all of the first premium for the new policy will be refunded to you.

If a Waiver Of Premium Rider is attached to this policy and in effect on the *date of full conversion*, the Waiver Of Premium Rider available for issue with the new policy may be part of the new policy without proof of the *insured's* insurability.

If premiums are being waived or a claim is pending under a Waiver Of Premium Rider attached to this policy and in effect on the *date of full conversion*, a Waiver Of Premium Rider will not be part of the new policy and premiums for the new policy will be payable.

Additional benefit riders may be attached to the new policy, subject to our requirements and limitations.

PARTIAL CONVERSION PROVISIONS

PARTIAL CONVERSION - The insurance this policy provides may be partially converted to any permanent plan of insurance currently offered by us. You may make a partial conversion of the *Basic Amount Of Insurance* or *Decreased Basic Amount Of Insurance*, whichever is applicable, and shown on the current Policy Data Page 2-1 of this policy. Under this policy, a partial conversion to a permanent plan of insurance is subject to all of the following conditions:

- (1) This policy must be *in effect* with no premiums in default.
- (2) Your request for a partial conversion must be in writing and received by us at our home office prior to the convertible date shown on the current Policy Data Page 2-1.
- (3) A partial conversion may not be made during the first *policy year*.
- (4) The *Basic Amount Of Insurance* of this policy or *Decreased Basic Amount Of Insurance* of this policy shown on the current Policy Data Page 2-1, whichever is applicable, may not be less than \$100,000.
- (5) After the first *policy year* and prior to the convertible date, only one partial conversion will be allowed in a *policy year*.

The *Decreased Basic Amount Of Insurance* of this policy is the amount of insurance provided under this policy for the Basic Plan after a partial conversion, as shown on a new Policy Data Page 2-1.

The premiums for the *Decreased Basic Amount Of Insurance* of this policy will be calculated using the *insured's age*, *Decreased Basic Amount Of Insurance* and premium class. The *insured's age* and premium class used in these calculations are as shown on new Policy Data Pages 2-1 and 2-2.

The effective date of the *Decreased Basic Amount Of Insurance* of this policy will be the *date of partial conversion*. After a partial conversion, the *Decreased Basic Amount Of Insurance* and the effective date of the *Decreased Basic Amount Of Insurance* are shown on a new Policy Data Page 2-1.

The *date of partial conversion* will be the *monthly policy day* following our approval of a completed, written application and receipt of the first premium for the new policy at our home office prior to the convertible date.

After a partial conversion, the current annual premium and guaranteed maximum annual premium will be shown in the Total Current Annual Premium and Total Guaranteed Maximum Annual Premium, respectively, in the Table Of Annual Policy Premiums on a new Policy Data Page 2-2.

PERMANENT PLAN OF INSURANCE ("NEW POLICY") - The new policy must comply with our then current issue limits. We will use the then current premium rate in effect on the *date of partial conversion* for the *insured's attained age*, sex and premium class of this policy. Proof of the *insured's* insurability will not be required.

The basic amount of insurance of the new policy may not exceed the amount of insurance available under this policy on the *date of partial conversion*. The *policy date* in the Suicide provision of the new policy will be the same as the *policy date* of this policy. The *policy date* in the Incontestability provision of the new policy will be the same as the *policy date* of this policy or the date of reinstatement of this policy, whichever is later. The effective date of the new policy will be the *date of partial conversion*.

Premiums paid for this policy for a period beyond the *date of partial conversion* will be refunded to you or used to pay part or all of the first premium for the new policy. Any premium not used to pay part or all of the first premium for the new policy will be refunded to you.

If a Waiver Of Premium Rider is attached to this policy and in effect on the *date of partial conversion*, the Waiver Of Premium Rider available for issue with the new policy may be part of the new policy without proof of the *insured's* insurability.

If premiums are being waived or a claim is pending under a Waiver Of Premium Rider attached to this policy and in effect on the *date of partial conversion*, a Waiver Of Premium Rider will not be part of the new policy and premiums for the new policy will be payable.

Additional benefit riders may be attached to the new policy, subject to our requirements and limitations.

EXTENDED RATE GUARANTY PROVISIONS

MINIMUM EXTENDED RATE GUARANTY - The minimum extended rate guaranty provided under this policy guarantees that the guaranteed maximum annual premium for the Basic Plan will equal the current annual premium for the Basic Plan for the first ten *policy years* from the *policy date*. There is no premium charge for the minimum extended rate guaranty.

The current annual premium and the guaranteed maximum annual premium for the Basic Plan of this policy are included in the Total Current Annual Premium and Total Guaranteed Maximum Annual Premium, respectively, and shown in the Table Of Annual Policy Premiums on the current Policy Data Page 2-2.

CONDITIONS - The minimum extended rate guaranty is subject to all of the following conditions:

- (1) Any Extended Rate Guaranty Rider, if attached to this policy and in effect, supersedes the minimum extended rate guaranty provided under this policy.
- (2) The minimum extended rate guaranty does not extend the benefit provided under the Extended Rate Guaranty Rider, if the rider is attached to this policy and is in effect.
- (3) Upon your written request for the termination of any Extended Rate Guaranty Rider, if attached to this policy and in effect, prior to the completion of the first ten *policy years* from the *policy date*, the minimum extended rate guaranty will apply to any remaining *policy years* from the rider termination date through the tenth *policy year* from the *policy date*.

OPTIONAL SETTLEMENT PROVISIONS

OPTIONAL SETTLEMENT PLANS - Any *death benefit* payable under this policy will be paid in one lump sum, unless one of the following plans is chosen. While the *insured* is living, you may request one of the plans. If no plan has been requested by you at the *insured's* death, the *beneficiary* may request a plan. The *beneficiary's* or your request must be a satisfactory written notice received and recorded by us. After we record it, the request is effective from the date the notice was signed. We will not be responsible for any payment made or other action taken before we record your request.

PLAN 1: Payments For A Fixed Period - We will hold the amount applied under this plan and make payments at the times and in the amount agreed upon, as long as any amount applied under this plan remains. We will credit the amount we hold with an annual effective interest rate of at least 3%.

When the *payee* dies, any remaining amount applied under this plan will be paid to the *payee's* estate, unless otherwise specified.

PLAN 2: Lifetime Payments - We will make monthly payments for as long as the *payee* lives. A guaranteed number of payments may be chosen. If the *payee* dies before the guaranteed number of payments has been made, we will continue payments to the *payee's* estate, unless otherwise specified, until the guaranteed number of payments has been made.

The monthly payments are based on the Annuity 2000 Mortality Table with interest at an annual effective rate of 3%.

Guaranteed amounts of monthly payments for each plan are shown in the Optional Settlement Plan Tables.

PROVISIONS OF OPTIONAL SETTLEMENT PLANS - Proof of age and continued survival will be required from the *payee*.

The amount applied under one of the settlement plans may not be assigned or transferred.

The amount we hold, as well as any payments we make, are protected from the claims of any *payee's* creditors to the extent permitted by law.

The minimum amount we will accept under any settlement plan is \$5,000. The minimum payment is \$50. We will consider special requests.

OPTIONAL SETTLEMENT PLAN TABLES

PLAN 1 - PAYMENTS FOR A FIXED PERIOD

The table shows the guaranteed amounts of level monthly payments for each \$1,000 applied under this plan.

| No. of Yrs. Payable | Monthly Payments | No. of Yrs. Payable | Monthly Payments |
|------------------------|---------------------|------------------------|---------------------|
| 1 | \$84.47 | 16 | \$6.53 |
| 2 | 42.86 | 17 | 6.23 |
| 3 | 28.99 | 18 | 5.96 |
| 4 | 22.06 | 19 | 5.73 |
| 5 | 17.91 | 20 | 5.51 |
| 6 | 15.14 | 21 | 5.32 |
| 7 | 13.16 | 22 | 5.15 |
| 8 | 11.68 | 23 | 4.99 |
| 9 | 10.53 | 24 | 4.84 |
| 10 | 9.61 | 25 | 4.71 |
| 11 | 8.86 | 26 | 4.59 |
| 12 | 8.24 | 27 | 4.47 |
| 13 | 7.71 | 28 | 4.37 |
| 14 | 7.26 | 29 | 4.27 |
| 15 | 6.87 | 30 | 4.18 |

PLAN 2 - LIFETIME PAYMENTS

The table is based on the *payee's* adjusted age. To find the adjusted age, subtract one year from the *payee's* actual age on the date of the first payment for each seven years since January 1, 2001 to the date of the first payment. The table shows the guaranteed amounts of level monthly payments for each \$1,000 applied under this plan.

| Adjusted Age of Payee | MALE FEMALE | | MALE | | FEMALE | |
|-----------------------|-------------|--------|---------------|---------------|---------------|---------------|
| | Life Only | | 10 Year Guar. | 20 Year Guar. | 10 Year Guar. | 20 Year Guar. |
| 25 | \$3.09 | \$3.00 | \$3.09 | \$3.08 | \$3.00 | \$3.00 |
| 26 | 3.12 | 3.02 | 3.11 | 3.10 | 3.02 | 3.01 |
| 27 | 3.14 | 3.04 | 3.13 | 3.13 | 3.04 | 3.03 |
| 28 | 3.16 | 3.06 | 3.16 | 3.15 | 3.06 | 3.05 |
| 29 | 3.19 | 3.08 | 3.18 | 3.17 | 3.08 | 3.07 |
| 30 | 3.21 | 3.10 | 3.21 | 3.20 | 3.10 | 3.10 |
| 31 | 3.24 | 3.13 | 3.24 | 3.22 | 3.13 | 3.12 |
| 32 | 3.27 | 3.15 | 3.27 | 3.25 | 3.15 | 3.14 |
| 33 | 3.30 | 3.18 | 3.30 | 3.28 | 3.18 | 3.17 |
| 34 | 3.33 | 3.20 | 3.33 | 3.31 | 3.20 | 3.19 |
| 35 | 3.37 | 3.23 | 3.36 | 3.34 | 3.23 | 3.22 |
| 36 | 3.40 | 3.26 | 3.39 | 3.37 | 3.26 | 3.25 |
| 37 | 3.44 | 3.29 | 3.43 | 3.41 | 3.29 | 3.28 |
| 38 | 3.48 | 3.32 | 3.47 | 3.44 | 3.32 | 3.31 |
| 39 | 3.52 | 3.36 | 3.51 | 3.48 | 3.35 | 3.34 |
| 40 | 3.56 | 3.39 | 3.55 | 3.52 | 3.39 | 3.37 |
| 41 | 3.60 | 3.43 | 3.59 | 3.55 | 3.42 | 3.41 |
| 42 | 3.65 | 3.47 | 3.64 | 3.59 | 3.46 | 3.44 |
| 43 | 3.70 | 3.51 | 3.69 | 3.64 | 3.50 | 3.48 |
| 44 | 3.75 | 3.55 | 3.73 | 3.68 | 3.54 | 3.52 |
| 45 | 3.80 | 3.60 | 3.79 | 3.73 | 3.59 | 3.56 |
| 46 | 3.86 | 3.64 | 3.84 | 3.77 | 3.63 | 3.60 |
| 47 | 3.92 | 3.69 | 3.90 | 3.82 | 3.68 | 3.64 |
| 48 | 3.98 | 3.74 | 3.95 | 3.87 | 3.73 | 3.69 |
| 49 | 4.04 | 3.80 | 4.02 | 3.92 | 3.78 | 3.74 |
| 50 | 4.11 | 3.86 | 4.08 | 3.98 | 3.84 | 3.78 |
| 51 | 4.18 | 3.92 | 4.15 | 4.03 | 3.90 | 3.84 |
| 52 | 4.26 | 3.98 | 4.22 | 4.09 | 3.96 | 3.89 |
| 53 | 4.34 | 4.05 | 4.29 | 4.15 | 4.02 | 3.94 |
| 54 | 4.42 | 4.12 | 4.37 | 4.21 | 4.09 | 4.00 |
| 55 | 4.51 | 4.19 | 4.45 | 4.27 | 4.16 | 4.06 |
| 56 | 4.60 | 4.27 | 4.54 | 4.33 | 4.24 | 4.12 |
| 57 | 4.70 | 4.35 | 4.63 | 4.39 | 4.32 | 4.19 |
| 58 | 4.81 | 4.44 | 4.73 | 4.46 | 4.40 | 4.25 |
| 59 | 4.92 | 4.54 | 4.83 | 4.52 | 4.49 | 4.32 |

PLAN 2 - LIFETIME PAYMENTS (CONTINUED)

The table is based on the *payee's* adjusted age. To find the adjusted age, subtract one year from the *payee's* actual age on the date of the first payment for each seven years since January 1, 2001 to the date of the first payment. The table shows the guaranteed amounts of level monthly payments for each \$1,000 applied under this plan.

| Adjusted Age of Payee | MALE FEMALE | | MALE | | FEMALE | |
|-----------------------|-------------|------|---------------|---------------|---------------|---------------|
| | Life Only | | 10 Year Guar. | 20 Year Guar. | 10 Year Guar. | 20 Year Guar. |
| 60 | 5.04 | 4.64 | 4.93 | 4.59 | 4.58 | 4.39 |
| 61 | 5.16 | 4.75 | 5.05 | 4.66 | 4.68 | 4.46 |
| 62 | 5.30 | 4.86 | 5.16 | 4.72 | 4.79 | 4.53 |
| 63 | 5.45 | 4.98 | 5.29 | 4.79 | 4.90 | 4.60 |
| 64 | 5.60 | 5.11 | 5.42 | 4.85 | 5.01 | 4.67 |
| 65 | 5.77 | 5.25 | 5.55 | 4.91 | 5.14 | 4.75 |
| 66 | 5.95 | 5.40 | 5.69 | 4.97 | 5.26 | 4.82 |
| 67 | 6.14 | 5.55 | 5.84 | 5.03 | 5.40 | 4.89 |
| 68 | 6.34 | 5.73 | 5.99 | 5.09 | 5.55 | 4.95 |
| 69 | 6.55 | 5.91 | 6.15 | 5.14 | 5.70 | 5.02 |
| 70 | 6.78 | 6.11 | 6.31 | 5.19 | 5.86 | 5.08 |
| 71 | 7.03 | 6.32 | 6.47 | 5.23 | 6.02 | 5.14 |
| 72 | 7.29 | 6.55 | 6.64 | 5.27 | 6.20 | 5.19 |
| 73 | 7.56 | 6.80 | 6.81 | 5.31 | 6.38 | 5.24 |
| 74 | 7.86 | 7.07 | 6.99 | 5.34 | 6.57 | 5.29 |
| 75 | 8.18 | 7.37 | 7.16 | 5.37 | 6.76 | 5.33 |
| 76 | 8.52 | 7.68 | 7.34 | 5.40 | 6.96 | 5.36 |
| 77 | 8.88 | 8.03 | 7.52 | 5.42 | 7.16 | 5.39 |
| 78 | 9.27 | 8.40 | 7.69 | 5.44 | 7.36 | 5.42 |
| 79 | 9.69 | 8.80 | 7.86 | 5.46 | 7.56 | 5.44 |
| 80 | 10.13 | 9.23 | 8.03 | 5.47 | 7.76 | 5.45 |

Upon written request, we will provide the guaranteed amounts of level monthly payments for the ages not shown in this plan.

NO\$

PROPOSED INSURED

627006371

SEVERNS, DOUGLAS
7410 E. PINE BLUFF
SPRING LAKE, MI 49456

MALE Birthdate: 10/01/1948
Birthplace: MI Age: 58
Social Security #: 383-50-2323
Marital Status: MARRIED

Phone: (248)437-5200

Best time to call: 10:00 AM TO 04:00 PM

POLICY/RIDERS APPLIED FOR

LEVEL BENEFIT TERM LIFE INSURANCE TO AGE 95
(LBT3)

\$ 500,000

Premium Option: TEN YEAR LEVEL PREMIUM

REPLACEMENT/EXCHANGE

Will any life insurance or annuity be replaced or changed by this
application?

NO

LIFE INSURANCE IN EFFECT

| Company: | Face Amount | ADB Amount | Issue Date | To Be Replaced |
|---------------------|----------------|---------------|---------------|-------------------|
| NORTHWESTERN MUTUAL | \$ 50,000 | \$ 0 | 01/1969 | NO |
| GUARDIAN | \$ 70,000 | \$ 0 | 06/2004 | NO |

OWNER

A&M SUPPLY INC DBA A&M LABEL
28505 AUTOMATION BLVD
WIXOM, MI 48393

Phone: (248)437-5200
Tax Id #: 381-95-7014
Relation to Proposed Insured:
EMPLOYER

PERSON PAYING PREMIUM

SAME AS OWNER

BENEFICIARY

Primary:
A&M SUPPLY INC DBA A&M LABEL

EMPLOYER

EMPLOYMENT

Occupation: PRESIDENT
Employer Name: A&M SUPPLY INC DBA A&M LABEL

Employment Date: 01/1969
Phone: (248)437-5200

PART A

1. In the last three years, have you used any tobacco products? YES
CIGARETTES 10/2006
2. Have you ever had life or health insurance declined, withdrawn,
issued other than standard, or had the amount of insurance reduced? NO
3. In the last ten years, have you been treated or diagnosed by a
member of the medical profession for diabetes, cancer, heart
disease, stroke, or had treatment or counseling for alcohol or
other drug dependency? NO

PART B

1. In the last three years, have you been convicted of or cited for:
 - a. Three or more moving violations of any motor vehicle law? NO
 - b. Driving under the influence of alcohol or drugs? NO
 - c. Had a driver's license denied, suspended or revoked? NO
2. In the last ten years, have you:
 - a. had treatment or counseling for alcohol or other drug
dependency? NO
 - b. used (or are you now using) any of the following substances,
except as legally prescribed:
valium, barbiturates, marijuana, cocaine, heroin,
methadone, amphetamines, or any other tranquilizers,
sedatives, narcotics, stimulants or hallucinogens? NO

PART C

1. In the last year, have you applied for life, disability or health
insurance? NO
2. Have you:
 - a. In the last three years, operated or had any duties aboard
an aircraft or like device? NO
 - b. In the last three years, participated in any hazardous sports
such as auto or motorcycle racing, scuba or skin diving, or
any other hazardous sport or hobby? NO
3. a. In the last three years, have you traveled outside of the
United States? NO
b. In the next three years, do you anticipate doing so? NO
4. In the last five years have you declared bankruptcy or do
you have a bankruptcy petition pending? NO
5. Are you a citizen of a country other than the United States? NO

It is represented that the statements and answers in this application are true and complete to the best of my knowledge and belief. I certify that the Taxpayer Identification Number(s)/Social Security Number(s) provided on this form is (are) true, correct and complete. It is agreed that:

All statements and answers in this application will form the basis of any contract of insurance that may be issued; Sentry reserves the right to require a medical examination of the Proposed Insured which forms Part 2 of the application; acceptance of any policy issued on the application will constitute a ratification of corrections, additions, or changes made by Sentry and noted on an attachment to the policy, except that any change in amount, plan of insurance, age at issue, classifications or benefits will be subject to written acceptance by me; except as otherwise provided in the Receipt, no insurance shall take effect until both the policy is delivered and the first full premium paid, all during the lifetime and continued insurability of the person(s) to be insured; only the President, a Vice President, or Secretary of Sentry can make, modify, alter or discharge contracts or waive any of Sentry's rights or requirements.

To help Sentry determine my insurability, I authorize any licensed physician, medical practitioner, hospital, clinic or other medically related facility, insurance company, or financial institution, to release to Sentry, or any person or entity acting on its behalf, any personal information which is on file and relates to my mental or health condition, use of alcohol or drugs or any other non-medical information or that of my dependents. In addition, I authorize the Medical Information Bureau to release to Sentry, or its reinsurers, any personal information which is on file and relates to me or my dependents. I also authorize Sentry to release any such data to its reinsurers, MIB, Inc. or as required by law or as provided in the Important Notice. These authorizations shall remain valid for use by Sentry until two years from the date below. A reproduced copy will be as valid as the original. The applicant, or the applicant's authorized representative, may receive a photocopy of the authorization form. I also agree that I have received and read the Important Notice required by the Fair Credit Reporting Act and the Medical Information Bureau.

QUESTIONS WERE ASKED OF ME OR, IF APPLICABLE, OF PARENT(S) OF THE CHILD(REN) LISTED ON THIS APPLICATION. PLEASE REVIEW ALL INFORMATION BEFORE SIGNING.

Mode: ANNUAL Initial Premium Paid: \$ 0.00

Proposed Insured (Print if under age 15)

Parent (If Proposed Insured is under age 15)

Owner (If Company, Officer and Title)

Dated at: (City, State)

Date:

As the writing agent, to the best of my knowledge, replacement of existing life insurance or annuity IS NOT involved in this transaction.

Writing Agent Signature:

Salescode: 3218-2109

ORDER NO: M5813 BRANCH: TUES PAGE 2 SIDE 1

MEDICAL EXAMINATION
PART 2 - LIFE
INSURANCE APPLICATION

☐ Sentry Life Insurance Company
☐ Sentry Investors Life Insurance Company } Hereinafter called "Sentry"

| | |
|---|---|
| ① | FULL NAME LAST SEVERNS FIRST DOUGLAS INITIAL H DATE OF BIRTH 10/1/1948 |
| ② | NAME & ADDRESS OF PERSONAL PHYSICIAN (if none, so state) JAMES HILKECHER 1445 SHERIDAN RD STE 200 GRAND HAVEN MI 49437 |
| | DATE & REASON OF LAST VISIT 01/01/2002 NOT RECALLED |

| | YES | NO | |
|---|-------------------------------------|-------------------------------------|----------------|
| ③ Have you: a. Smoked cigarettes in the past 12 months? ... | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| b. Used any tobacco other than cigarettes? ... | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| c. Lost any weight in the past 12 months? ... | <input type="checkbox"/> | <input type="checkbox"/> | |
| ④ Have you EVER had or been told you had: a. Epilepsy, seizure disorders, loss of consciousness, dizziness, depression, breakdowns or any mental or nervous disorders? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| b. Shortness of breath, asthma, emphysema, spitting of blood, chronic cough, or any disease or disorder of the lungs or respiratory system? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| c. High blood pressure, angina pectoris, chest pain palpitation, heart trouble, murmur, rheumatic fever, stroke, or any disorder of the heart, blood, or blood vessels? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| d. Chronic diarrhea or recent onset of diarrhea, colitis, intestinal bleeding, ulcers, indigestion, or other disorder of the stomach, intestines, gall bladder or liver? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| e. Kidney stone, disease of the kidney(s), bladder, prostate, or genito-urinary organs? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| f. Sugar blood, or albumin in the urine, or any other urinary tract disorder? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| g. Diabetes, thyroid, or other endocrine disorders? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| h. Cancer, tumor, cyst, or any disorder of the skin or lymph glands? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| i. Neuritis, arthritis, gout or any other disorder of the muscles, bones or joints? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| ⑤ Have you EVER: a. Applied for or received a disability payment from any source? ... | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| b. Had your application for life, health or accident insurance rejected, rated up, restricted, postponed or withdrawn? ... | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| c. Received treatment or joined an organization for alcoholism or drug addiction? ... | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| d. Used cocaine, heroin, morphine, LSD, marijuana, PCP or any other hallucinogenic or narcotic drug? ... | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| e. Been a patient in any hospital, sanitarium, or other medical institution? ... | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| ⑦ Have you WITHIN 5 YEARS: a. Been treated or taken medications for any reason, or had an operation not already mentioned? ... | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| b. Had or been advised to have any surgical operations, x-ray, heart study, electrocardiogram or other laboratory examinations? ... | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| c. Consulted a physician, psychiatrist or other practitioner for a general examination or any other reason not noted above? ... | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| ⑧ Family History: Diabetes, cancer, high blood pressure, heart disease? ... | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| ⑨ | Age if Living | Age at Death | Cause of Death |
| Father | | 79 | TOUR RECENT C |
| Mother | | 82 | OLD AGE |
| Brother | | | |
| Sister | | 40 | PROLONGED |

⑩ DETAILS OF "YES" ANSWERS
Item No. Dates OF SET RECOVERY Full details including nature of illness, diagnosis, number of attacks, duration, treatment & results, NAME AND ADDRESS OF PHYSICIAN OR HOSPITAL

3A.) SMOCKED CIGARETTES/PAST 12 MONTHS
AMOUNT PER DAY: ONE PACK A DAY
COMMENTS: DAILY SMOKER
** END OF PREVIOUS QUESTION **

3C.) WEIGHT LOSS:
AMOUNT: 8 OR 9 LBS
REASON: BETTER DIET
< SEE ADDENDUM >

I declare that all statements and answers given above and in Part 1 of the Life Insurance Application are true, complete, and have been correctly recorded, to the best of my knowledge and belief, and will form the basis of any insurance contract that may be issued.

DATED 11-2-06
WITNESSED BY EXAMINER

SIGNATURE OF PERSON EXAMINED
FOR LIFE IN MI NO. AMT 5A

* Or of Parent/Guardian if person is less than age 18.

ADDENDUM SHEET

SENTRY LIFE INSURANCE

Proposed Insured Name: DOUGLAS H SEVERNS
Social Security Number: 383-50-2323

Telemarketing No.:
Telemarketing Date: 10/27/2006
Order No.: 345913

< Continued from Page 1 >
Details to questions 3-9...
6E.) INPATIENT:
FACILITY NAME: NOT RECALLED
ADDRESS: NOT RECALLED
REASON: TONSILLECTOMY
DATE(S): NOT RECALLED
ATTENDING PHYSICIAN: NOT RECALLED
PHYSICIAN'S ADDRESS: NOT RECALLED

** END OF PREVIOUS QUESTION **

7C.) CONSULTS OTHER PRACTITIONERS:
PRACTITIONER NAME: WOULDN'T SAY
ADDRESS: WOULDN'T SAY
DATE(S): 2003
REASON: PRE EMPLOYMENT PHYSICAL
TREATMENT: NONE REQUIRED

** END OF PREVIOUS QUESTION **

8) FAMILY HX:
RELATION: FATHER
CONDITION: SOME HEART CONDITION
AGE AT ONSET: 50's
CURRENT CONDITION: DECEASED

** END OF PREVIOUS QUESTION **

I declare that the statements and answers provided are true and complete to the best of my knowledge and belief, and I agree that they shall be considered the basis of any insurance issued.

Proposed Insured's Signature

Date

Witness Signature

Date

ORDER NO: 345913

BRANCH CODE

PAGE 4

SIDE 1

Sentry Life Insurance Company
1800 North Point Drive
Stevens Point, WI 54481
1-800-533-7827



BUYER'S GUIDE TO LIFE INSURANCE

This guide can help you when you shop for life insurance. It discusses how to:

- Find a Policy That Meets Your Needs and Fits Your Budget
- Decide How Much Insurance You Need
- Make Informed Decisions When You Buy a Policy

*Prepared by the National Association of
Insurance Commissioners*

The National Association of Insurance Commissioners is an association of state insurance regulatory officials. This association helps the various insurance departments to coordinate insurance for the benefit of all consumers.

This guide does not endorse any company or policy.

Reprinted by Sentry Life Insurance Company

IMPORTANT THINGS TO CONSIDER

1. Review your own insurance needs and circumstances. Choose the kind of policy that has benefits that most closely fit your needs. Ask an agent or company to help you.
2. Be sure that you can handle premium payments. Can you afford the initial premium? If the premium increases later and you still need insurance, can you still afford it?
3. Don't sign an insurance application until you review it carefully to be sure all the answers are complete and accurate.
4. Don't buy life insurance unless you intend to stick with your plan. It may be very costly if you quit during the early years of the policy.
5. Don't drop one policy and buy another without a thorough study of the new policy and the one you have now. Replacing your insurance **may be costly**.
6. Read your policy carefully. Ask your agent or company about anything that is not clear to you.
7. Review your life insurance program with your agent or company every few years to keep up with changes in your income and your needs.

BUYING LIFE INSURANCE

When you buy life insurance, you want coverage that fits your needs.

First, decide how much you need – and for how long – and what you can afford to pay. Keep in mind the major reason you buy life insurance is to cover the financial effects of unexpected or untimely death. Life insurance can also be one of many ways you plan for the future.

Next, learn what kinds of policies will meet your needs and pick the one that best suits you.

Then, choose the combination of policy premium and benefits that emphasizes protection in case of early death, or benefits in case of long life, or a combination of both.

It makes good sense to ask a life insurance agent or company to help you. An agent can help you review your insurance needs and give you information about the available policies. If one kind of policy doesn't seem to fit your needs, ask about others.

This guide provides only basic information. You can get more facts from a life insurance agent or company or from your public library.

WHAT ABOUT THE POLICY YOU HAVE NOW?

If you are thinking about dropping a life insurance policy, here are some things you should consider:

- If you decide to replace your policy, don't cancel your old policy until you have received the new one. You then have a minimum period to review your new policy and decide if it is what you wanted.
- It may be costly to replace a policy. Much of what you paid in the early years of the policy you have now, paid for the company's cost of selling and issuing the policy. You may pay this type of cost again if you buy a new policy.
- Ask your tax advisor if dropping your policy could affect your income taxes.
- If you are older or your health has changed, premiums for the new policy will often be higher. You will not be able to buy a new policy if you are not insurable.
- You may have valuable rights and benefits in the policy you now have that are not in the new one.
- If the policy you have now no longer meets your needs, you may not have to replace it. You might be able to change your policy or add to it to get the coverage or benefits you now want.
- At least in the beginning, a policy may pay no benefits for some causes of death covered in the policy you have now.

In all cases, if you are thinking of buying a new policy, check with the agent or company that issued you the one you have now. When you bought your old policy, you may have seen an illustration of the benefits of your policy. Before replacing your policy, ask your agent or company for an updated illustration. Check to see how the policy has performed and what you might expect in the future, based on the amounts the company is paying now.

HOW MUCH DO YOU NEED?

Here are some questions to ask yourself:

- How much of the family income do I provide? If I were to die early, how would my survivors, especially my children, get by? Does anyone else depend on me financially, such as a parent, grandparent, brother or sister?
- Do I have children for whom I'd like to set aside money to finish their education in the event of my death?
- How will my family pay final expenses and repay debts after my death?
- Do I have family members or organizations to whom I would like to leave money?
- Will there be estate taxes to pay after my death?
- How will inflation affect future needs?

As you figure out what you have to meet these needs, count the life insurance you have now, including any group insurance where you work or veteran's insurance. Don't forget Social Security and pension plan survivor's benefits. Add other assets you have: savings, investments, real estate and personal property. Which assets would your family sell or cash in to pay expenses after your death?

WHAT IS THE RIGHT KIND OF LIFE INSURANCE?

All policies are not the same. Some give coverage for your lifetime and others cover you for a specific number of years. Some build up cash values and

others do not. Some policies combine different kinds of insurance, and others let you change from one kind of insurance to another. Some policies may offer other benefits while you are still living. Your choice should be based on your needs and what you can afford.

There are two basic types of life insurance: **term insurance** and **cash value insurance**. Term insurance generally has lower premiums in the early years, but does not build up cash values that you can use in the future. You may combine cash value life insurance with term insurance for the period of your greatest need for life insurance to replace income.

Term insurance covers you for a term of one or more years. It pays a death benefit only if you die in that term. Term insurance generally offers the largest insurance protection for your premium dollar. It generally does not build up cash value.

You can renew most term insurance policies for one or more terms even if your health has changed. Each time you renew the policy for a new term, premiums may be higher. Ask what the premiums will be if you continue to renew the policy. Also ask if you will lose the right to renew the policy at some age. For a higher premium, some companies will give you the right to keep the policy in force for a guaranteed period at the same price each year. At the end of that time you may need to pass a physical examination to continue coverage, and premiums may increase.

You may be able to trade many term insurance policies for a cash value policy during a conversion period – even if you are not in good health. Premiums for the new policy will be higher than you have been paying for the term insurance.

Cash Value Life Insurance is a type of insurance where the premiums charged are higher at the beginning than they would be for the same amount of term insurance. The part of the premium that is not used for the cost of insurance is invested by the company and builds up a cash value that may be used in a variety of ways. You may borrow against a policy's cash value by taking a policy loan. If you don't pay back the loan and the interest on it, the amount you owe will be subtracted from the benefits

when you die, or from the cash value if you stop paying premiums and take out the remaining cash value. You can also use your cash value to keep insurance protection for a limited time or to buy a reduced amount without having to pay more premiums. You also can use the cash value to increase your income in retirement or to help pay for needs such as a child's tuition without canceling the policy. However, to build up this cash value, you must pay higher premiums in the earlier years of the policy. Cash value life insurance may be one of several types; whole life, universal life and variable life are all types of cash value insurance.

Whole Life Insurance covers you for as long as you live if your premiums are paid. You generally pay the same amount in premiums for as long as you live. When you first take out the policy, premiums can be several times higher than you would pay initially for the same amount of term insurance. But they are smaller than the premiums you would eventually pay if you were to keep renewing a term policy until your later years.

Some whole life policies let you pay premiums for a shorter period such as 20 years, or until age 65. Premiums for these policies are higher since the premium payments are made during a shorter period.

Universal Life Insurance is a kind of flexible policy that lets you vary your premium payments. You can also adjust the face amount of your coverage. Increases may require proof that you qualify for the new death benefit. The premiums you pay (less expense charges) go into a policy account that earns interest. Charges are deducted from the account. If your yearly premium payment plus the interest your account earns is less than the charges, your account value will become lower. If it keeps dropping, eventually your coverage will end. To prevent that, you may need to start making premium payments, or increase your premium payments, or lower your death benefits. Even if there is enough in your account to pay the premiums, continuing to pay premiums yourself means that you build up more cash value.

Variable Life Insurance is a kind of insurance where the death benefits and cash values depend

on the investment performance of one or more separate accounts, which may be invested in mutual funds or other investments allowed under the policy. Be sure to get the prospectus from the company when buying this kind of policy and **STUDY IT CAREFULLY**. You will have higher death benefits and cash value if the underlying investments do well. Your benefits and cash value will be lower or may disappear if the investments you chose didn't do as well as you expected. You may pay an extra premium for a guaranteed death benefit.

LIFE INSURANCE ILLUSTRATIONS

You may be thinking of buying a policy where cash values, death benefits, dividends or premiums may vary based on events or situations the company does not guarantee (such as interest rates). If so, you may get an illustration from the agent or company that helps explain how the policy works. The illustration will show how the benefits that are not guaranteed will change as interest rates and other factors change. The illustration will show you what the company guarantees. It will also show you what *could* happen in the future. Remember that nobody knows what will happen in the future. You should be ready to adjust your financial plans if the cash value doesn't increase as quickly as shown in the illustration. You will be asked to sign a statement that says you understand that some of the numbers in the illustration are not guaranteed.

FINDING A GOOD VALUE IN LIFE INSURANCE

After you have decided which kind of life insurance is best for you, compare similar policies from different companies to find which one is likely to give you the best value for your money. A simple comparison of the premiums is not enough. There are other things to consider. For example:

- Do premiums or benefits vary from year to year?
- How much do the benefits build up in the policy?

- What part of the premiums or benefits is not guaranteed?
- What is the effect of interest on money paid and received at different times on the policy?

Once you have decided which type of policy to buy, you can use a cost comparison index to help you compare similar policies. Life insurance agents or companies can give you information about several different kinds of indexes that each work a little differently. One type helps you compare the costs between two policies if you give up the policy and take out the cash value. Another helps you compare your costs if you don't give up your policy before its coverage ends. Some help you decide what kind of questions to ask the agent about the numbers used in an illustration. Each index is useful in some ways, but they all have shortcomings. Ask your agent which will be most helpful to you. Regardless of which index you use, compare index numbers only for similar policies — those that offer basically the same benefits, with premiums payable for the same length of time.

Remember that no one company offers the lowest cost at **all** ages for **all** kinds and amounts of insurance. You should also consider other factors:

- How quickly does the cash value grow? Some policies have low cash values in the early years that build quickly later on. Other policies have a more level cash value build-up. A year-by-year display of values and benefits can be very helpful. (The agent or company will give you a policy summary or an illustration that will show benefits and premiums for selected years.)
- Are there special policy features that particularly suit your needs?
- How are nonguaranteed values calculated? For example, interest rates are important in determining policy returns. In some companies increases reflect the average interest earnings on all of that company's policies regardless of when issued. In others, the return for policies issued in a recent year, or a group of years, reflects the interest earnings on that group of policies; in this case, amounts paid are likely to change more rapidly when interest rates change.

Sentry's Pledge of Service



*Sentry Life Insurance Company and the undersigned sales representative
pledge periodic contact with the policy owner to provide additional beneficial service.
The policy owner will receive professional service, without obligation, whenever necessary.*

Signature _____

333-2

Sentry Life Insurance Company, 1800 North Point Drive, Stevens Point, WI 54481 • 1-800-533-7827 • 1-715-346-7283 (FAX)

11-01



SENTINEL
LIFE INSURANCE
COMPANY

DATE SUMMARY PREPARED: NOVEMBER 16, 2006

INSURED:
DOUGLAS H SEVERNS

POLICY NUMBER:

POLICY DATE: NOVEMBER 15, 2006

BASIC PLAN OF INSURANCE:

LEVEL BENEFIT TERM LIFE INSURANCE TO AGE 95

PREMIUM OPTION:

| POLICY YEAR | CURRENT ANNUAL PREMIUM* | GUARANTEED MAXIMUM ANNUAL PREMIUM | DEATH BENEFIT AT BEGINNING OF POLICY YEAR | CASH SURRENDER VALUE AT END OF POLICY YEAR |
|-------------|-------------------------|-----------------------------------|---|--|
| 1 | \$ 5,465.00 | \$ 5,465.00 | \$ 500,000 | \$ 0.00 |
| 2 | 5,465.00 | 5,465.00 | 500,000 | 0.00 |
| 3 | 5,465.00 | 5,465.00 | 500,000 | 0.00 |
| 4 | 5,465.00 | 5,465.00 | 500,000 | 0.00 |
| 5 | 5,465.00 | 5,465.00 | 500,000 | 0.00 |
| 10 | 5,465.00 | 5,465.00 | 500,000 | 0.00 |
| 20 | 62,135.00 | 71,190.00 | 500,000 | 0.00 |
| AGE 85 | 5,465.00 | 5,465.00 | 500,000 | 0.00 |
| AGE 94 | 275,715.00 | 281,090.00 | 500,000 | 0.00 |

* THE BASIC PLAN CURRENT ANNUAL PREMIUM IS SUBJECT TO CHANGE AFTER THE FIRST TEN POLICY YEARS FROM THE POLICY DATE, UNLESS AN EXTENDED RATE GUARANTY RIDER IS ATTACHED TO THE POLICY AND IS IN EFFECT. HOWEVER, THE BASIC PLAN CURRENT ANNUAL PREMIUM WILL NEVER EXCEED THE BASIC PLAN GUARANTEED MAXIMUM ANNUAL PREMIUM. FOR MORE DETAILED INFORMATION, PLEASE REFER TO THE PREMIUM CHANGES AND EXTENDED RATE GUARANTY PROVISIONS IN THE POLICY AND THE EXTENDED RATE GUARANTY RIDER, IF APPLICABLE.

COST INDEXES ARE USEFUL ONLY WHEN COMPARING THE RELATIVE COSTS OF TWO OR MORE SIMILAR POLICIES. AN EXPLANATION OF THE INTENDED USE OF THE COST INDEXES IS PROVIDED IN THE LIFE INSURANCE BUYER'S GUIDE. THE COST INDEXES ARE BASED ON A 5% ANNUAL EFFECTIVE INTEREST RATE. THESE COST INDEXES ARE CALCULATED FOR THE BASIC PLAN OF INSURANCE AND INCLUDE THE EXTENDED RATE GUARANTY RIDER, IF APPLICABLE.

APPLICABLE.

SURRENDER COST INDEX
NET PAYMENT COST INDEX

| | | | | | |
|---------|---------|-------|--------------|----------|-------|
| CURRENT | 10 YEAR | INDEX | <u>10.93</u> | \$ 10.93 | 10.93 |
|---------|---------|-------|--------------|----------|-------|

**GUARANTEED
10 YEAR
INDEX**

\$ 10.93
10.93

| | | |
|---------|-------|----|
| CURRENT | | |
| 20 YEAR | | |
| INDEX | | |
| | 36.42 | \$ |
| | 36.42 | |

**GUARANTEED
20 YEAR
INDEX**

\$ 43.68 43.68

IF YOU HAVE QUESTIONS, PLEASE CONTACT:

JAMES L. SMITH
P.O. BOX 7040
HUNTINGTON WOODS, MI 48070

THIS DISCLOSURE STATEMENT IS FOR YOUR BENEFIT. IT PROVIDES BASIC INFORMATION ABOUT THE COST AND COVERAGE OF THE POLICY. **THIS IS NOT A POLICY.** THE TERMS AND CONDITIONS OF THE POLICY WILL GOVERN IN THE EVENT OF ANY CONFLICT WITH THIS SUMMARY. PLEASE READ YOUR POLICY FOR FURTHER INFORMATION.

B

I, Rochelle G. Mueller, am the Director of Life & Health Underwriting at Sentry Insurance a Mutual Company. Policies issued by Sentry Life Insurance Company are underwritten in my department. I am familiar with the manner in which life insurance policies issued by Sentry Life Insurance Company are stored within my department in the ordinary course of business.

I certify that the attached are true and correct copies of policies issued by Sentry Life Insurance Company, that have been stored within my department in the ordinary course of business since their issuance. They are:

Sentry Life Insurance Company policy # 62-70063-71, owned by Supply Inc.
DBA A&M Label and insuring Douglas H. Severns;

Sentry Life Insurance Company policy # 62-70064-71, owned by Douglas H.
Severns and insuring Douglas H. Severns.

Rochelle G. Mueller
Rochelle G. Mueller

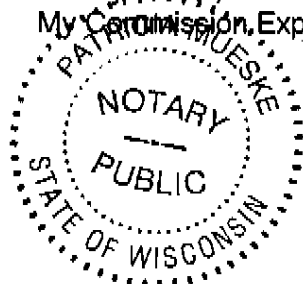
Dated: 3/19/08

STATE OF WISCONSIN)
) SS.
COUNTY OF PORTAGE)

Signed or attested before me on the 19 day of March, 2008, by Rochelle G. Mueller.

Patricia Mueske
Patricia Mueske

Notary Public, State of Wisconsin
My Commission Expires: February 27, 2011





SENTRY
LIFE INSURANCE
COMPANY

(a stock company)
1800 North Point Drive
Stevens Point, WI 54481

Level Benefit Term Life Insurance Policy To Age 95

YOUR LIFE POLICY IN BRIEF

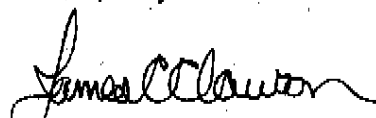
- Insurance payable at death of the *insured*
- Premiums payable to age 95, as long as the *insured* is living
- Nonparticipating policy, not eligible for dividends
- Premiums subject to change
- Convertible

Sentry Life Insurance Company will pay the *beneficiary* the *death benefit*, subject to the terms of this policy, when we receive proof satisfactory to us at our home office that the *insured* died while this policy was *in effect*.

RIGHT TO RETURN POLICY

Within 10 days after its delivery, this policy may be returned to the Sentry Life agent or to any Sentry Life office and will then be void from the beginning. A full premium refund will be made.

Signed for Sentry Life Insurance Company at its home office on the *policy date*.


James C. Clawson
President
Sentry Life Insurance Company

PLEASE READ YOUR POLICY CAREFULLY.

**THIS POLICY IS A LEGAL CONTRACT BETWEEN YOU AND
SENTRY LIFE INSURANCE COMPANY.**

Sentry Life Insurance Company
1800 North Point Drive
Stevens Point, WI 54481
1 (800) 533-7827



SENTRY
LIFE INSURANCE
COMPANY

POLICY DATA

INSURED:

DOUGLAS H SEVERNS

MALE

AGE: 58

POLICY NUMBER:

62-70064-71

POLICY DATE:

NOVEMBER 15, 2006

PREMIUM CLASS:STANDARD
TOBACCO**BASIC PLAN OF INSURANCE:**LEVEL BENEFIT TERM LIFE INSURANCE
TO AGE 95**MONTHLY POLICY DAY:** 15**PREMIUM OPTION:**

TEN YEAR LEVEL PREMIUM*

EXPIRATION DATE:

NOVEMBER 15, 2043

BASIC AMOUNT OF INSURANCE:

\$ 500,000

CONVERTIBLE PRIOR TO**CONVERTIBLE DATE:**
NOVEMBER 15, 2008

SCHEDULE OF BENEFITS AND PREMIUMS

| <u>TYPE OF BENEFIT</u> | <u>BENEFIT AMOUNT</u> | <u>ANNUAL PREMIUM</u> | <u>PAYABLE TO AGE</u> |
|--|---------------------------|---------------------------|---------------------------|
| BASIC PLAN | \$ 500,000 | \$ 5,465.00 * | 68 |
| TOTAL FIRST YEAR ANNUAL PREMIUM | | \$ 5,465.00 | |

* THE BASIC PLAN CURRENT ANNUAL PREMIUM SHOWN ABOVE REMAINS LEVEL FOR THE FIRST TEN POLICY YEARS FROM THE POLICY DATE. AFTER THE FIRST TEN POLICY YEARS FROM THE POLICY DATE, THE BASIC PLAN CURRENT ANNUAL PREMIUM INCREASES ANNUALLY AT THE INSURED'S ATTAINED AGE. THE BASIC PLAN CURRENT ANNUAL PREMIUM IS SUBJECT TO CHANGE AFTER THE FIRST TEN POLICY YEARS FROM THE POLICY DATE. FOR DETAILED INFORMATION ON PREMIUM CHANGES, PLEASE REFER TO THE PREMIUM CHANGES PROVISION IN THIS POLICY.

THE BASIC PLAN CURRENT ANNUAL PREMIUM AND GUARANTEED MAXIMUM ANNUAL PREMIUM ARE INCLUDED IN THE TABLE OF ANNUAL POLICY PREMIUMS ON POLICY DATA PAGE 2-2.

THE ANNUAL PREMIUM SHOWN ABOVE FOR THE BASIC PLAN INCLUDES A \$70.00 ANNUAL POLICY FEE.

THE FIRST PREMIUM IS DUE ON THE POLICY DATE. THE FIRST PREMIUM TOTALS FOR THE AVAILABLE PREMIUM PAYMENT FREQUENCIES ARE:

| <u>ANNUAL</u> | <u>SEMI-ANNUAL</u> | <u>QUARTERLY</u> | <u>MONTHLY/AUTOMATIC BANK CHECK</u> |
|---------------|--------------------|------------------|---|
| \$ 5,465.00 | \$ 2,841.80 | \$ 1,448.23 | \$ 478.19 |

Sentry Life Insurance Company
1800 North Point Drive
Stevens Point, WI 54481
1 (800) 533-7827



SENTRY
LIFE INSURANCE
COMPANY

POLICY DATA

INSURED:

DOUGLAS H SEVERNS

MALE

AGE: 58

POLICY NUMBER:

62-70064-71

POLICY DATE:

NOVEMBER 15, 2006

PREMIUM CLASS:

STANDARD
TOBACCO

PREMIUM OPTION: TEN YEAR LEVEL PREMIUM

TABLE OF ANNUAL POLICY PREMIUMS

| ATTAINED AGE | | TOTAL CURRENT ANNUAL PREMIUM* | | TOTAL GUARANTEED MAXIMUM ANNUAL PREMIUM* |
|-----------------|----|--|----|--|
| 58 | \$ | 5,465.00 | \$ | 5,465.00 |
| 59 | | 5,465.00 | | 5,465.00 |
| 60 | | 5,465.00 | | 5,465.00 |
| 61 | | 5,465.00 | | 5,465.00 |
| 62 | | 5,465.00 | | 5,465.00 |
| 63 | | 5,465.00 | | 5,465.00 |
| 64 | | 5,465.00 | | 5,465.00 |
| 65 | | 5,465.00 | | 5,465.00 |
| 66 | | 5,465.00 | | 5,465.00 |
| 67 | | 5,465.00 | | 5,465.00 |
| 68 | | 26,420.00 | | 34,210.00 |
| 69 | | 28,550.00 | | 36,620.00 |
| 70 | | 30,910.00 | | 39,380.00 |
| 71 | | 33,520.00 | | 42,770.00 |
| 72 | | 36,485.00 | | 46,710.00 |
| 73 | | 39,820.00 | | 50,680.00 |
| 74 | | 43,460.00 | | 54,980.00 |
| 75 | | 48,440.00 | | 59,760.00 |
| 76 | | 55,040.00 | | 65,060.00 |
| 77 | | 62,135.00 | | 71,190.00 |
| 78 | | 69,675.00 | | 78,220.00 |
| 79 | | 77,800.00 | | 85,960.00 |
| 80 | | 86,790.00 | | 94,420.00 |
| 81 | | 95,440.00 | | 103,410.00 |
| 82 | | 105,165.00 | | 112,660.00 |
| 83 | | 116,075.00 | | 122,520.00 |
| 84 | | 127,910.00 | | 133,670.00 |
| 85 | | 140,420.00 | | 146,310.00 |
| 86 | | 152,195.00 | | 160,020.00 |
| 87 | | 164,040.00 | | 174,590.00 |
| 88 | | 177,050.00 | | 189,780.00 |
| 89 | | 190,240.00 | | 205,400.00 |
| 90 | | 203,770.00 | | 220,490.00 |
| 91 | | 217,865.00 | | 234,850.00 |
| 92 | | 232,975.00 | | 249,590.00 |
| 93 | | 251,865.00 | | 264,830.00 |
| 94 | | 275,715.00 | | 281,090.00 |

* THIS TOTAL INCLUDES THE PREMIUM FOR THE BASIC PLAN ONLY.

THE GUARANTEED MAXIMUM ANNUAL PREMIUM FOR THE BASIC PLAN THAT IS GUARANTEED UNDER THE MINIMUM EXTENDED RATE GUARANTY PROVISION OF THIS POLICY OR ANY EXTENDED RATE GUARANTY RIDER ATTACHED TO THIS POLICY AND IN EFFECT, WHICHEVER IS APPLICABLE, IS INCLUDED IN THE TOTAL SHOWN ABOVE IN BOLD PRINT FOR THE APPLICABLE ATTAINED AGES.

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DEFINITIONS

AGE - The *insured's* age at last birthday as determined on the *policy date* and shown on all the Policy Data pages.

ATTAINED AGE - The *insured's* age at last birthday as determined on the most recent *policy anniversary*.

BASIC AMOUNT OF INSURANCE - The amount of insurance provided under this policy for the Basic Plan, as shown on Policy Data Page 2-1. Rider amounts, if any, are shown separately.

BENEFICIARY - The *beneficiary* is the person who will receive the *death benefit* when the *insured* dies.

CONTINGENT BENEFICIARY - The *contingent beneficiary* is the person who will receive the *death benefit* if the *beneficiary* dies before the *insured*, or is disqualified by law.

DEATH BENEFIT - The amount payable to the *beneficiary* on the *insured's* date of death, subject to the terms of this policy, if the *insured* dies while this policy is *in effect*.

EXPIRATION DATE - The date this policy is no longer *in effect*. The *expiration date* is shown on Policy Data Page 2-1.

IN EFFECT - When the *insured's* life is covered under this policy.

INSURED - The person whose life is covered under this policy, as named on all the Policy Data pages. The *insured* may be someone other than the owner.

MONTHLY POLICY DAY - The same day each month as the *policy date*. This day is shown on Policy Data Page 2-1.

PAYEE - A person receiving payment from us under an optional settlement plan.

POLICY ANNIVERSARY - The same day and month each year as the *policy date*. *Policy anniversaries* are measured from the *policy date*.

POLICY DATE - The month, day and year this policy is put *in effect*. The *policy date* is shown on all the Policy Data pages.

POLICY MONTH - A period of time beginning on any *monthly policy day* and ending on the day preceding the next *monthly policy day*. *Policy months* are measured from the *policy date*.

POLICY YEAR - A period of time beginning on any *policy anniversary* and ending on the day preceding the next *policy anniversary*. *Policy years* are measured from the *policy date*.

SPECIAL - Means this policy is issued at a *special* premium class due to an extra risk for the *insured's* health, occupation or avocation. Extra premium is charged due to the extra risk and is more than the standard premium. The *special* premium class is shown as Special Non-Tobacco or Special Tobacco, whichever is applicable, under Premium Class on Policy Data Page 2-1.

WE, OUR, OURS, US, SENTRY LIFE - Means Sentry Life Insurance Company at its home office at 1800 North Point Drive, Stevens Point, Wisconsin 54481.

YOU, YOUR, YOURS - Means the owner of this policy.